

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2559 - SB 2555

February 25, 2018

SUMMARY OF BILL: Requires a student enrolled in a state institution of higher education to pass a United States civics test to receive an associate or baccalaureate degree beginning in the 2018- 2019 academic year. Requires, if a student fails to pass the test during the fall or spring semester of the student's first year of enrollment at the institution, the student to enroll in an American Civics course and retake the test after completing the course.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures – Exceeds \$31,000/One-Time
Exceeds \$735,000/Recurring**

Assumptions relative to United States Civics Test Development:

- The proposed legislation will require each state institution of higher education to develop a United States civics test as described under the provisions of the legislation.
- Based on the information collectively provided by each Locally Governed Institution (LGI), the University of Tennessee (UT) system, and the Tennessee Board of Regents (TBR) community college system, the average cost to develop a civics test is estimated to be \$2,000 per institution.
- The one-time increase in state expenditures as a result of each institution developing a civics test is estimated to exceed \$16,000 (\$2,000 x 8 systems and institutions).

Assumptions relative to American Civics Course Development:

- The proposed legislation will require each state institution of higher education to offer an American Civics course for students who do not pass the initial administered civics course.
- Based on the information collectively provided by each LGI, the UT system, and the TBR community college system, six out of the eight systems or institutions do not currently offer an American Civics course and would require course development as a result of the proposed legislation.
- The average cost to develop an American Civics course is estimated to be \$2,500 per institution.
- The one-time increase in state expenditures as a result of developing an American Civics course is estimated to exceed \$15,000 (\$2,500 x 6 systems or institutions).
- Each public institution requires students to take a history course to fulfill general education requirements. It is reasonably assumed that any student required to take an

HB 2559 - SB 2555

American Civics course as a result of failing the required U.S Civics test, will take the required American Civics Course in lieu of taking another history course offered at their respective university to fulfill its general education requirements. Therefore, any impact to tuition revenue is estimated to be not significant.

Assumptions Relative to Staffing and Materials:

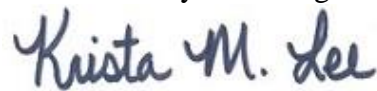
- The proposed legislation will require some systems or institutions to hire additional part-time staff, while others will extend existing staff's workload and salary.
- Based on the information collectively provided by each LGI, five out of the six LGIs will require one additional part-time staff position at each of the five institutions, for a total of 5 part-time positions.
- Based on the information provided by the UT system, UT will require one additional part-time staff position for each of its three campuses, for a total of 3 part-time positions.
- Based on the information provided by the TBR system, TBR will require one additional part-time staff positions for each of its 13 community college campuses, a total of 13 part-time positions.
- There will be a total 21 additional part-time staff positions required as a result of this legislation (5 LGI campuses + 3 UT campuses + 13 TBR community colleges).
- Additionally, each part-time position will require additional supplies and materials.
- The average annual cost per part-time position for wages, supplies and materials is estimated to be \$35,000.
- The total recurring increase in state expenditures for staffing, supplies, and materials is estimated to exceed \$735,000 (\$35,000 x 21).

Total Impact Assumptions:

- The total one-time increase in state expenditures as a result of this legislation is estimated to exceed \$31,000 (\$16,000 + \$15,000).
- The total recurring increase in state expenditures as a result of this legislation is estimated to exceed \$735,000.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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